WHAT IS THE YEAR 2000 ISSUE?

The Year 2000 (Y2K) issue resulted from a common programming practice, begun in the 1960s, to represent dates with two digits instead of four (98 vs. 1998). This shorthand saved disk space and thus money. Unfortunately, because the first two digits of the year are omitted, computer programs assume that each date entry is a date in the 20th century.

Y2K problems can affect personal computers, software, local area networks, telecommunications systems, and systems and equipment that use embedded technology, such as fire alarm systems, heating and cooling systems, elevators, and telephone switching equipment.

If action is not taken to identify and correct potential Y2K problem areas, computers and other electronic systems may create errors that could affect technical operations of businesses, government agencies, and school districts alike.

HOW WILL SCHOOLS AND POSTSECONDARY INSTITUTIONS BE AFFECTED BY THE YEAR 2000 ISSUE?

The entire education community, including the Education Department's (ED) customers and service providers, faces the Year 2000 issue. School districts as well as postsecondary institutions that have not corrected the Y2K problem will likely experience potentially serious malfunctions in systems that handle student records, payroll and employee benefits, purchasing, and class scheduling.

In addition, ED and the education community need to work closely together to ensure that all data exchanges and other interfaces are Year 2000 compliant.

Immediate action is needed because addressing the Year 2000 issue requires significant lead time and resources.

WHAT IS THE EDUCATION DEPARTMENT'S YEAR 2000 PROJECT?

The Department has nearly completed the work of bringing its mission-critical and non-mission-critical systems into compliance. Thirteen of the 14 mission-critical systems completed renovation by November 1998. Virtually all noncritical systems were compliant by October 1998. All systems will be fully validated and implemented by March 31, 1999.

TESTING

All of the Department's mission critical systems will be thoroughly tested internally and with trading partners. ED's initial testing schedule for student financial aid is as follows: National Student Loan Data System, April and June 1999; Central Processing System, May and July 1999; Direct Loan Origination System, April and July 1999; and Pell Recipients Financial Management System, May and July 1999.

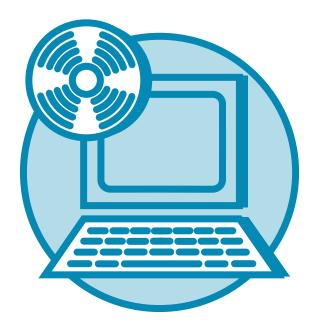
CONTINGENCY PLANNING

The Department's strategy is to prepare a contingency plan for every system and for the core business processes within the Department. The planning process also includes extensive consultation and coordination with the Department's business partners. Our plan follows the structured approach developed by GAO for business continuity and contingency planning. That approach identifies four phases: Project Initiation, Business Impact Analysis, Contingency Planning and Testing. We have completed the first phase for all core business processes and have started phase two. Our schedule calls for us to complete all phases for the core business processes by March 31, 1999.

ARE SCHOOLS AND POSTSECONDARY INSTITUTIONS READY?

The Department of Education has a joint project with the Council of the Great City Schools to survey the state of Year 2000 readiness in the nation's 50 largest school districts. In an initial survey conducted during the spring of 1998, the data indicated that the level of readiness varied among the school districts nationwide. Nearly one third of the school districts that responded reported that their district still did not have a written Y2K plan.

In addition, according to Year 2000 compliance surveys conducted during the summer of 1998 by the Department of Education and by the American Association of Community Colleges, the percentage of postsecondary institutions that have not yet achieved Year 2000 compliance ranges from 63% to 81%, depending on the category of school. Approximately one third of the schools that responded reported that a written Y2K plan does not exist on their campuses.



HELP AND INFORMATION

Web Pages:

For information on the Department of Education's Year 2000 Project and guidance on preparing for the Year 2000, go to the Department's Year 2000 Project Web site at (http://www.ed.gov/y2k)

Additional Year 2000 information may be found at the following Web sites:

The President's Council on Year 2000 Conversion (http://www.y2k.gov) for a comprehensive Y2K Web site including useful Web links and information for members of the entire education sector.

Council of Great City Schools

(<u>http://www.cgcs.org/y2k12/</u>) for information on Year 2000 issues affecting the elementary and secondary community.

Electronic Mailboxes:

ED has established two mailboxes for Year 2000 questions and correspondence. They are located at:

y2k@ed.gov for issues involving elementary and secondary education and all other non-postsecondary education programs; and

ope_y2k@ed.gov for issues involving postsecondary education programs.

Guides:

ED is developing Year 2000 guides for the elementary/secondary schools and a Year 2000 Readiness Kit for postsecondary institutions. These provide plans from other schools, as well as tools and resources that will enable the education community to take the necessary steps to address the Year 2000 issue. To obtain a copy, please send your request through the Department's electronic mailboxes.



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